

# MONKTON HOUSE KINGS COLLEGE (CARDIFF) EDUCATIONAL TRUST LIMITED

## ANNUAL REPORT AND ACCOUNTS

2013-2014

COMPANIES HOUSE

FRIDAY



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COMPANY NUMBER: 894179  
CHARITY NUMBER: 525759

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## 1 REFERENCE AND ADMINISTRATIVE INFORMATION

### 1.1 Reference Information

Name	Monkton House Kings College (Cardiff) Educational Trust Limited
Other names used	Kings Monkton School
Registered Charity	Charity Number 525759
Company Limited by Guarantee	Company Number 894179
Registered and Principal Office	60 Queens Road, Reading RG1 4BS
Website	www.cfbt.com
Email	enquiries@cfbt.com
Telephone	0118 902 1000
Fax	0118 902 1410

### 1.2 Board of Trustees

The following Trustees have served throughout the period covered by this report:

J Greenwood (Chairman until November 2013)  
C Glover (Chairman from November 2013)  
P Snelling (until January 2014)  
F Johnson (until January 2014)  
J Webb (until January 2014)  
A Crispin (until February 2014)  
F Good (until January 2014)  
C Adderley (from February 2014)  
N Fishwick (from January 2014)

**Company Secretary**

C Adderley (until October 2014)

### 1.3 Professional Advisers

**Auditors**

BDO LLP  
2 City Place  
Beehive Ring Road  
Gatwick, West Sussex  
RH6 0PA

**Bankers**

Lloyds TSB Bank Plc  
45 Newport Road  
Cardiff  
CF24 1TW

**2 OBJECTIVES AND VALUES****2.1 Charitable Objects and Values**

The principal objective of the Charity is the provision of education to children of school age and to achieve this objective the Charity operated a school in West Grove, Cardiff

As reported in the 12/13 Annual Report and Accounts, the school and its operations were transferred to Heathfield Independent Schools on 2 April 2013.

**3 GOVERNANCE AND MANAGEMENT****3.1 Governing Document**

Monkton House Kings College (Cardiff) Educational Trust Limited is a company limited by guarantee and a registered Charity governed by its Memorandum and Articles of Association, dated 16 December 1966 and last amended to allow for current governance arrangements on 2<sup>nd</sup> March 2013. It is registered as a charity with the Charity Commission.

The charity is administered by a Board of Trustees of no fewer than three members who meet at least once a year to receive reports on the activities of the charity.

**3.2 Appointment of Trustees**

Trustees are appointed by the Board of CfBT Education Trust, a charity (registered no. 270901) and a company limited by guarantee (company no. 867944), the sole member of Monkton House Kings College (Cardiff) Education Trust.

**3.3 Risk Management**

CfBT Education Trust has a formal risk management process across the CfBT Group to assess operational risks and implement risk management strategies. This process also applies to Monkton House Kings College (Cardiff) Educational Trust Limited. The risk management process involves identifying the type of risks, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks.

## 4 FINANCIAL REVIEW

### Responsibilities of the Board of Trustees

The Board of Trustees is responsible for preparing the annual report and the financial statements in accordance with the Companies Act 2006. The Board of Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In considering its responsibilities, the Board has had regard to "Good Governance: A code for the Voluntary and Community Sector".

Charity and company law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that year. In preparing those financial statements, the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Board of Trustees has overall responsibility for keeping proper accounting records that show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The Board of Trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

All of the current Trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditors are unaware.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (2005) and updated in 2008. These Financial Statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

### Reserves policy

Following the transfer of the operating activities to Heathfield Independent Schools, the charity does not currently have substantive operating activity. The charity's financial objective is to collect amounts owing in consideration for the transfer.

## Results for 2013/14

The financial statements and associated notes are reported on pages 7 to 12 of the accounts. The accounting reference date was changed during the period from 31 March to 31 August and as the ownership of the School transferred on 2 April 2013, minimal financial transactions took place in the year

As at 31 August 2014, net liabilities of £492,000 are reported. This has arisen as a result of the outstanding debt due to the parent company, offset by the deferred consideration for the transfer of the school.

Signed on behalf of the Trustees



C Glover  
Chair  
12 March 2015



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONKTON HOUSE KINGS COLLEGE (CARDIFF) EDUCATIONAL TRUST LIMITED

We have audited the financial statements of Monkton House Kings College (Cardiff) Educational Trust Limited for the 17 months ended 31 August 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

### ***Respective responsibilities of trustees and auditor***

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

### ***Scope of the audit of the financial statements***

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### ***Opinion on financial statements***

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### ***Opinion on other matters prescribed by the Companies Act 2006***

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### ***Matters on which we are required to report by exception***

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns;  
or
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report.



James Aston, Senior Statutory Auditor

for and on behalf of BDO LLP, Statutory Auditor

Gatwick

United Kingdom

Date: 13 March 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

STATEMENT OF FINANCIAL ACTIVITIES  
For the 17 months ended 31 August 2014



	<u>Notes</u>	Unrestricted Fund £	Total 17 months to 31 August 2014 £	Total 12 months to 31 March 2013 £
<b>Incoming resources</b>				
<u>Activities for generating funds</u>				
Interest income		-	-	-
<u>Income from charitable activities</u>				
Teaching		(4,840)	(4,840)	1,934,401
<b>Total incoming resources</b>		<u>(4,840)</u>	<u>(4,840)</u>	<u>1,934,401</u>
<b>Resources expended</b>				
<u>Costs of activities in furtherance of the charity's objects</u>				
Charitable activities		(10,782)	(10,782)	2,854,465
Governance costs		3,360	3,360	18,654
<b>Total resources expended</b>	4	<u>(7,422)</u>	<u>(7,422)</u>	<u>2,873,119</u>
<b>Net outgoing resources for the year</b>		<u>2,582</u>	<u>2,582</u>	<u>(938,718)</u>
<b>Balance brought forward at 1 April</b>		(494,125)	(494,125)	444,593
<b>Balance carried forward at 31 August</b>		<u>(491,543)</u>	<u>(491,543)</u>	<u>(494,125)</u>

The notes on pages 9 to 12 form part of these accounts.

All charity funds are unrestricted.

All income is from discontinued activities.

The company has no recognised gains and losses and therefore no Separate Statement of Total Recognised Gains and Losses has been presented.

**BALANCE SHEET**  
As at 31 August 2014



	Notes	As at 31/08/2014 £	As at 31/03/2013 £
<b>FIXED ASSETS</b>			
Tangible assets	6	0	750,790
		<u>0</u>	<u>750,790</u>
<b>CURRENT ASSETS</b>			
Debtors:			
Amount falling due after one year	7	516,045	-
Stock		-	9,000
Debtors:			
Amounts falling due within one year	8	193,276	71,377
Cash at bank and in hand		1,184	2,201
		<u>710,505</u>	<u>82,578</u>
<b>CURRENT LIABILITIES</b>			
Creditors:			
Amounts falling due within one year	9	(1,202,048)	(1,327,493)
<b>Net current liabilities</b>		<u>(491,543)</u>	<u>(1,244,915)</u>
<b>Total assets less current liabilities</b>		(491,543)	(494,125)
<b>NET ASSETS</b>		<u>(491,543)</u>	<u>(494,125)</u>
<b>CHARITABLE FUNDS</b>			
Unrestricted funds		(491,543)	(494,125)
<b>TOTAL FUNDS</b>		<u>(491,543)</u>	<u>(494,125)</u>

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

The notes on pages 9 to 12 form part of these accounts.

The financial statements on pages 7 to 12 were approved by the Board of Trustees and authorised for issue on 12 March 2015 and are signed on its behalf by:

CA GUNN  
Trustee  
CA GLOVER

**NOTES TO THE FINANCIAL STATEMENTS**  
For the 17 months ended 31 August 2014



**1. PRINCIPAL ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard For Small Entities (effective January 2005), Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Companies Act 2006. The Companies Act 2006 formats have been adapted in order to reflect a true and fair view.

**Cash flow statement**

The Trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

**Voluntary income**

Voluntary income, including donations and gifts which are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

**Investment income**

Investment income is recognised on a receivable basis.

**Incoming resources from charitable activities**

Incoming resources from charitable activities includes fee income received and other similar income. This income is recognised as the related services are provided and there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

It is not the policy of the charity to show incoming resources net of expenditure. Any associated expenditure is accounted for according to the accruals concept.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less the estimated residual value of each asset on a straight-line basis over its expected useful life. Previously assets were depreciated on a reducing balance basis.

Freehold property	over 30 years
Fixtures & fittings	20% straight line
Computer equipment	33.33% straight line
Motor vehicles	25% straight line

The policy is not to capitalise items costing under £1000. VAT is included in the cost of the capital item as VAT is irrecoverable by the school. Land is not depreciated.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT as the charity is not registered.

"Charitable expenditure" comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

"Governance costs" include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

**Hire purchase/finance lease agreements**

Assets held under hire purchase/finance lease agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight-line basis.

**Pension costs**

The company is a member of the Teachers' Pensions Scheme (TPS), which is a defined benefit scheme. As the TPS is underwritten by central government and the company has no future obligation to make contributions to the scheme, this is effectively a defined contribution scheme in so far as it affects the company. As a result, contributions to this scheme are accounted for as if the scheme was a defined contribution scheme. Contributions payable are charged to the statement of financial activities as they fall due.

The company also contributes to a number of staff members' personal pension schemes where they do not qualify for the defined benefit pension scheme. Contributions payable in the period are charged to the statement of financial activities.

**Funds Structure**

General unrestricted funds represent resources available to be applied by the trustees for the general purposes of the charity.

Designated funds are unrestricted funds which are allocated for specific purposes at the trustees' discretion.

**Going Concern**

The charity is dependent on the continued financial support of its parent undertaking, CfBT Education Trust. The accounts of the charity have been prepared on a going concern basis as the parent charity has indicated it will continue to give the support required for the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS  
For the 17 months ended 31 August 2014



2. STAFF AND TEACHER COSTS

	Total 17 months to 31 August 2014 £	Total 12 months to 31 March 2013 £
Wages and salaries	-	1,306,576
Social security costs	101	94,374
Pension costs	1,878	140,364
Temporary staff	5,174	38,016
Seconded Staff	110	18,549
	<u>7,043</u>	<u>1,597,879</u>

By activity, the average monthly number of persons employed by the group during the period was:

	2013/14	2012/13
Fee earning staff	-	46
Service staff	-	19
	<u>-</u>	<u>65</u>

Staff members whose total annual remuneration was in the ranges:

	No. of Staff	No. of Staff
£60,000 - £69,999	-	1

3. NET OUTGOING RESOURCES  
is stated after charging

	17 months to 31 August 2014 £	12 months to 31 March 2013 £
Pension contributions	1,878	140,364
Depreciation (note 6)	-	82,803
Auditors' remuneration	3,360	15,054

4. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Premises £	Other (inc. interest & depreciation) £	Total 17 months to 31 August 2014 £	Total 12 months to 31 March 2013 £
<b>Direct charitable expenditure</b>					
Provision of education of children	7,042	1,073	(18,897)	(10,782)	2,854,465
	<u>7,042</u>	<u>1,073</u>	<u>(18,897)</u>	<u>(10,782)</u>	<u>2,854,465</u>
<b>Other expenditure</b>					
Governance costs	-	-	3,360	3,360	18,654
Total resources expended	<u>7,042</u>	<u>1,073</u>	<u>(15,537)</u>	<u>(7,422)</u>	<u>2,873,119</u>

5. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES

The Trustees confirm that there have been no related party transactions during the year which require disclosure under FRS 8 (Related Party Transactions).

During the year no Trustees were remunerated and no expenses were reimbursed to Trustees

NOTES TO THE FINANCIAL STATEMENTS  
For the 17 months ended 31 August 2014



6. TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures & Fittings £	Motor Vehicles £	Computers £	Total £
<b>Cost</b>					
As at 31 March 2013	1,835,940	317,021	101,557	158,285	2,412,803
Disposals	(1,835,940)	(317,021)	(101,557)	(158,285)	(2,412,803)
As at 31 August 2014	<u>0</u>	<u>0</u>	<u>-</u>	<u>0</u>	<u>0</u>
<b>Depreciation</b>					
As at 31 March 2013	1,090,150	312,527	101,551	157,785	1,662,013
Disposals for the Period	(1,090,150)	(312,527)	(101,551)	(157,785)	(1,662,013)
As at 31 August 2014	<u>0</u>	<u>0</u>	<u>-</u>	<u>0</u>	<u>0</u>
<b>Net book value</b>					
As at 31 August 2014	<u>(0)</u>	<u>(0)</u>	<u>-</u>	<u>0</u>	<u>0</u>
As at 31 March 2013	<u>745,790</u>	<u>4,494</u>	<u>6</u>	<u>500</u>	<u>750,790</u>

Included in motor vehicles are assets with a net book value of £0 (31 March 2013 = £6) held on finance lease on which depreciation charged for the 17 months to 31 August 2014 amounted to £0 (12 months to 31 March 2013 = nil). During 2012/13 agreement was made to sell the business of the school. The assets were disposed of during the current financial year.

7. DEBTORS:

Amounts falling due over one year

	As at 31/08/2014 £	As at 31/03/2013 £
Other Debtors	516,045	-
	<u>516,045</u>	<u>-</u>

8. DEBTORS:

Amounts falling due within one year

	As at 31/08/2014 £	As at 31/03/2013 £
Trade debtors	-	59,900
Accrued Income	-	8,681
Other debtors	193,276	2,796
	<u>193,276</u>	<u>71,377</u>

Other Debtors represents the deferred consideration in respect to the disposal of the school assets and business. Amounts receivable

9. CREDITORS:

Amounts falling due within one year

	As at 31/08/2014 £	As at 31/03/2013 £
Taxation and social security	-	29,673
Deferred income	-	11,000
Accruals	2,400	54,081
Amounts owed to parent undertaking	1,183,756	1,143,500
Other creditors	15,892	89,239
	<u>1,202,048</u>	<u>1,327,493</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
For the 17 months ended 31 August 2014



**10. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

All assets and liabilities represent unrestricted funds.

**11. PENSION COMMITMENTS**

The charity participated in the Teachers Pension Scheme, a multi-employer, unfunded defined benefit pension scheme. Employer costs for the year were £1,878 (prior year £115,761) and no contributions were payable at year end. The charity also contributed to personal pension arrangements for some staff, the cost for the year was: £1,878 (prior year £24,603) and there was nil outstanding at year end (prior year £617)

**12. COMPANY LIMITED BY GUARANTEE**

The company is limited by guarantee. In the event of a deficiency arising on liquidation, each member has undertaken to contribute to the assets of the company a sum not exceeding £1.

**13. ULTIMATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY**

The Trustees regard CfBT Education Trust (registered charity number 270901) a company limited by guarantee and a charity, as the ultimate parent company and ultimate controlling party. Copies of the parent's consolidated financial statements may be obtained from 60 Queens Road, Reading, RG1 4BS.